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Governor

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING
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DIANNE CORNWALL
Director

JOSEPH L. WALTUCH
Commissioner

DATE: March 2, 2009
TO: Mortgage Broker/Mortgage Banker/Escrow Agency Licensees
FROM: Joseph L. Waltuch, Commissioner
SUBJECT: Annual Financial Statement Filing Requirements

Pursuant to NRS 645B.085:

- A mortgage broker licensee shall submit to the Division, within 120 days of their fiscal year end, a financial statement that:
 - has been prepared from the books and records of the mortgage broker by an independent public accountant who holds a permit to engage in the practice of public accounting in this State that has not been revoked or suspended; and
 - is dated not earlier than the last day of the fiscal year.
- If a mortgage broker maintains any trust accounts described in NRS 645B.175 (1) or (4), the financial statement must be audited and should include:
 - a statement of trust fund balances;
 - the related statement of trust fund receipts and disbursements; and
 - a statement of changes in cash balances of the accounts.

NRS 645B.175 (10) states that if a mortgage broker maintains any trust accounts described in subsection 1 or subsection 4, the mortgage broker shall, in addition to the annual financial statement audited pursuant to [NRS 645B.085](#), submit to the Commissioner each 6 calendar months a financial statement concerning those trust accounts.

Pursuant to NRS 645E.360:

- A mortgage banker licensee shall submit to the Division, within 120 days of their fiscal year end, a financial statement that:
 - has been prepared from the books and records of the mortgage banker by an independent public accountant who holds a permit to engage in the practice of public accounting in this State that has not been revoked or suspended; and
 - is dated not earlier than the last day of the fiscal year.

- If a mortgage banker maintains any trust accounts described in NRS 645E.430 the financial statements must be audited and should include:
 - a statement of trust fund balances;
 - the related statement of trust fund receipts and disbursements; and
 - a statement of changes in cash balances of the accounts.

Pursuant to NAC 645A.040:

- An Escrow Agency licensee shall submit to the Division, within 120 days of their fiscal year end, a financial statement that:
 - has been prepared from the books and records of the mortgage broker by an independent public accountant who holds a permit to engage in the practice of public accounting in this State that has not been revoked or suspended; and
 - is dated not earlier than the last day of the fiscal year.
- If an escrow agency maintains any trust accounts described in NRS 645A.160 the financial statements must:
 - if the trust account has an average monthly balance of \$250,000 or less, be reviewed by an independent public account before it is submitted and the review must be consistent with the standards set out in sections 400 to 408, inclusive, of the Statements on Standards for Accounting and Review Services published by the American Institute of Certified Public Accounts;
 - if the trust account has an average monthly balance that exceeds \$250,000, be audited before it is submitted and the escrow agency shall ensure that the public accountant who prepares the report of an audit submits a copy of the report and the escrow agency at the same time.

Financial statements shall be submitted to the Division's Carson City office, to the attention of Bob Lesselles, CPA.

Extension requests must be submitted in writing not later than 120 days after the last day of each fiscal year for the licensee and should also be submitted to the Division's Carson City office, to the attention of Bob Lesselles, CPA.

Should you have any questions, please contact Bob Lesselles at (775) 684-7067, by fax at (775) 684-7061 or by e-mail at rllesselles@mld.nv.gov.